FACTS ON FILE

Weekly World News Digest with Cumulative Index

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Letters in margin are to facilitate reference from future issues and index

WORLD AFFAIRS

A SUMMARY. *Japanese peace treaty signed despite Soviet boycott; U.S., Japan signed defense alliance.*
Korean fighting stepped up, U.S. admitted Kaesong strafing.
Western Forgn. Mins. planned "peace contract" for Germany.

Domestic News. *Lovett replaced Marshall as Defense Secy.*
Senate voted record $59.5 billion for arms, raised mail rates.
Air Force created "pilotless" bomber squadron.
Auto price rises of 3-7% authorized, automatic shifts curbed.
Defense Mobilizer Wilson called steel shortage "shocking."
Robinson regained middleweight boxing title from Turpin.

B

JAPAN

Peace Treaty Signed. All 48 of the non-Communist nations at the San Francisco conference signed a World War II peace treaty with Japan Sept. 8. Only Russia, Czechoslovakia & Poland refused to sign. Later Sept. 8 the U.S. & Japan signed a defense treaty under which U.S. forces will stay in Japan after the peace pact takes effect. The peace treaty must be ratified by the U.S. and at least 6 other principal Allied signers.

The pact is unusually lenient on reparations in that it imposes no specific debt on Japan. It also imposes no exact limit on C Japanese rearmament, requires only that Japan abide by UN Charter provisions against aggression.

Soviets Rebuffed. The Soviet delegation led by Dep. Forgn. Min. Andrei A. Gromyko failed in its efforts to get Far Eastern countries to boycott the U.S.-sponsored peace treaty. Some nations, especially Indonesia & the Philippines, were dissatisfied with terms on reparations, Japanese rearmament and Japanese trade. But all shunned the Soviet bloc.

Gromyko was believed to have laid down a propaganda line for future Communist attempts to win over Japan when he supported Japanese claims to the Ryukyu & Bonin Islands, which will be D administered by the U.S. under UN trusteeship. However, Japanese Premier Shigeru Yoshida made a strongly anti-Russian speech to the conference, challenged Soviet claims on South Sakhalin & the Kuriles and said Russian aggressiveness made it necessary for Japan to form a defensive alliance with the U.S.

Acheson Silences Gromyko. In his last appearance before the conference, Gromyko demanded Sept. 7 that the president, U.S. State Secy. Dean G. Acheson, put Soviet-proposed peace treaty amendments to an immediate vote. Acheson told Gromyko the "amendments" were read to the conference Sept. 5 as a statement of Soviet views, were not formally introduced [see p. 281J]. He ruled Gromyko out of order. Acheson later seized upon one E of Gromyko's statements as grounds for putting the out-of-order ruling to a vote and was upheld, 46-3, by the conference (USSR, Czech., Poland opposed). The delegations also voted 41-1 for a Ceylonese motion to discuss only the terms of the draft treaty, not changes proposed by the Reds or anyone else, for the rest of the Sept. 7 conference session.

U.S. Super Weapons

A-BOMBS, PILOTLESS AIR FORCE. Sen. Brien McMahon (D., Conn.), Joint Congressional Atomic Energy Comm. chairman, said Sept. 12 that the destructive power of the U.S. atomic stockpile is "truly fantastic" but he refused specific comment on new weapons. Development of an A-bomb small enough for carrier planes was announced by Adm. Lynde D. McCormick, Atlantic Fleet commander, in New York Sept. F 10 prior to recommissioning of the carrier *Wasp*. He said he thought that eventually all carriers "will be equipped with atomic bombs." [See p. 285C]

The USAF announced Sept. 13 it will activate a "guided missiles squadron" of B-61 Matador robot bombers at its Cocoa, Fla. test center Oct. 1. The B-61, now being produced by the Glenn L. Martin Co. in Baltimore, is a rocket & jet-powered, radar guided, swept-wing plane about 30 feet long believed capable of exceeding 1,000 mph. Pres. Truman confirmed that this was one of the "fantastic" new weapons to which he recently referred. [See pp. 284D, 253B] G

Gromyko, who had been booed from the galleries, strolled out of the San Francisco Opera House auditorium after he was silenced. Other delegations thought he was staging a walkout on the conference, but he returned 5 minutes later after apparently rebuking Czech delegate Gertrude Sekanimova for leaving also.

Soviets Denounce Conference. Before the treaty signing Sept. 8, Gromyko held a press conference in which he denounced Red China's exclusion from the conference, called John Foster Dulles (chief negotiator of the treaty) a "seasoned warmonger," said Americans had run the San Francisco conference* in an "ill-H mannered and arrogant" manner, called the peace treaty an "aggressive" pact engineered by the U.S. & Britain against Russia & China, warned that the pact "sows the seeds of a new war in the Far East." The Soviet, Czech & Polish delegates then stayed away from the signing ceremony. [See p. 281G-H]

(The Moscow *Literary Gazette* Sept. 8 denounced the San Francisco meeting as a "blitz conference," likened Acheson to such "Nazi super diplomats" as Hitler's late Forgn. Min. Joachim von Ribbentrop. "Wall Street's gangster-like methods practiced by Mr. Acheson in San Francisco do not differ at all from the Munich beer halls where the Nazis executed their sinister deeds."

Japanese, Others Criticize Terms. The final day of speeches J Sept. 7 preliminary to the signing ceremony featured criticism of treaty terms by Japan's Premier Yoshida, Filipino delegate Carlos P. Romulo and Indonesian delegate Ahmed Subardjo.

Romulo made an eloquent defense of Filipino reparations claims, said the Philippines lost 1,000,000 people and its industry was "totally razed to the ground" as a result of Japanese aggression. Japan, he said, has recovered faster from the war due to benevolent Allied occupation than some of the countries it attacked. He expressed doubt whether militarism is dead in Japan. "It is straining human credulity to believe that Japan, within a brief period of 6 years, has been completely and permanently transformed," Romulo declared. K

*Called for specific purpose of signing Japanese treaty negotiated by Dulles during a year of consultation with Allied countries & Japan. Further negotiations on Japanese peace terms were never planned for San Francisco conference. It was called for signing of pact already drafted and invitations were issued on that basis. [See pp. 281H, J-K, 234H, 218P; Vol. X, 163E]

Both Romulo and Subardjo had been assured by Yoshida in earlier private talks in San Francisco that Japan will promptly negotiate reparations and fishing agreements under terms of the peace treaty [see p. 282C]. But the Filipino & Indonesian delegates demanded in their conference speeches that Yoshida give public pledges to that effect. Subardjo said Japan's economic recovery should enable it to pay substantial reparations in a few years, also declared that the Japanese must not encroach on fishing areas essential to Indonesia's food supply.

(The Indonesian Cabinet, whose acceptance of the Japanese pact had been doubtful, decided by a close vote Sept. 7 to sign. It is still doubtful whether the Indonesian Parliament will ratify the treaty. A close vote also is forecast in the Filipino Senate.)

Yoshida Speech. Yoshida, 72, last conference speaker Sept. 7, gave the Philippines & Indonesia a direct "yes" to their questions about reparations and fishery agreements. But he said several of the peace treaty's territorial & economic terms cause Japan "pain & anxiety." He appealed for eventual return of the Ryukyus & Bonins to Japan (after a period of UN trusteeship in U.S. hands). He challenged Gromyko's claim that the Soviet Union has a historic right to South Sakhalin & the Kuriles, also charged that the Russians have seized 2 small islands (Hobomai, Shikotan) that belong to Hokkaido, one of Japan's home islands.

The Japanese Premier, speaking in Japanese, made these complaints against "economic" features of the treaty: (1) The pact strips Japan of 45% of its prewar territory & with it "vast overseas assets." Consequently Japan probably could not pay heavy reparations to some Allied countries without getting equivalent aid from others. (2) Some countries that were not damaged in warfare with Japan are permitted under the peace treaty to seize Japanese assets in their territories. However, Yoshida said, Japan will fulfill all its peace treaty obligations and observe all "fair-trade practices in international commerce."

In assuring the Allies of Japan's peaceful intentions, Yoshida said his country "is no longer the Japan of yesterday" and "will not fail your expectations of us as a new nation dedicated to peace, democracy & freedom." He said U.S. protection of Japan is mandatory or "it is clear as day that this tide of [Red] aggression will beat down upon our shores." He expressed regret that India & Burma were absent from San Francisco, said nothing about China's absence. [See p. 282B-F]

Signing Ceremony. The 72-min. treaty-signing ceremony that ended the conference before noon Sept. 8 saw 100 delegates of all 49 countries in the conference except the USSR, Czechoslovakia & Poland [see complete list p. 282D] sign the treaty. Yoshida, representing Japan, signed last. He also signed 2 declarations that Japan will (1) recognize its international agreements pre-dating Sept. 1, 1939 and (2) help Allied organizations maintain war cemeteries and memorials in Japan. In contrast to the business suits worn by other delegates, cutaways & striped trousers were worn by the Japanese delegation to signify its "sincerity" at the signing. Acheson presided, told Yoshida when the signing was completed: "The great broad highway to a position of honor & equality lies open to you." British Forgn. Secy. Herbert Morrison said he regretted that China was not represented in the conference and that the Chinese & Japanese must decide "for themselves" what their future relationship will be [see p. 177J]. 1,500 spectators in the Opera House cheered each delegate according to how he had distinguished himself in denouncing Russia during the conference. Acheson, Dulles, Romulo, Sir Carl Berendsen of New Zealand, Percy C. Spender of Australia and J. R. Jayewardene of Ceylon received the greatest ovations. Pact signers for the U.S.: Acheson, Dulles, Sens. Alexander Wiley & John Sparkman. [See pp. 281F-K, 235H]

The peace treaty can take effect when ratified by the U.S. Senate and a majority of these countries: Australia, Britain, Canada, Ceylon, France, Indonesia, Netherlands, New Zealand, Pakistan, Philippines. [See p. 282A]

U.S. Defense Alliance Signed. The U.S.-Japanese treaty for maintenance of U.S. defense forces in Japan was signed in San Francisco Sept. 8, 5 hours after the peace treaty was signed. It will take effect when the peace pact becomes effective and U.S. forces in Japan no longer have occupation rights.

Detailed arrangements for stationing U.S. forces in Japan will be worked out in "administrative agreements between the 2 Govts.," the U.S.-Japanese pact says. These agreements will not need U.S. Congressional ratification and can be kept secret. The U.S. is expected to get about 10 air and 2 naval bases in Japan and maintain troops there although no troops will be garrisoned in Tokio. Indications are that the U.S. will pay rent on its Japanese bases, thus permitting Japan to earn dollars it might otherwise have to be given as economic aid.

Other provisions of the U.S.-Japanese pact:

U.S. land, sea & air forces may be stationed "in and about Japan" to safeguard "international peace and security in the Far East," help protect Japan "against armed attack from without" and help "at the express request of the Japanese Govt." to put down "large-scale internal riots and disturbances in Japan, caused through instigation or intervention by an outside power or powers." Japan may not grant bases or "the right of garrison or maneuver" to any 3d power without the U.S.' consent. The U.S.-Japanese treaty (but not the later supplementary "administration agreements") must be ratified. The treaty will expire when the U.S. and Japanese Govts. agree there are adequate UN or other "individual or collective security dispositions" to safeguard "international peace and security in the Japan area."

The U.S.-Japanese treaty states: "Japan will not have the effective means to exercise its inherent right of self-defense (when its peace treaty takes effect) because it has been disarmed. There is danger to Japan in this situation because irresponsible militarism has not yet been driven from the world." Japan will "increasingly assume responsibility for its own defense against direct and indirect aggression, always avoiding any armament which could be an offensive threat or serve other than to promote peace and security in accordance with the purposes and principles of the (UN) Charter."

State Secy. Acheson, one of 4 American signers of the alliance, called it "part of a pattern for defense of peace in the Pacific area . . . a voluntary arrangement between free peoples." Other U.S. signers: Dulles, Sens. Styles Bridges (R., N.H.) and Alexander Wiley (R., Wis.). Premier Yoshida, in signing for Japan, said Japan was "very glad" the U.S. had agreed to protect it "temporarily" from "the menace of Communist aggression." He promised that Japan will eventually "assume full responsibility for safeguarding" itself. [See p. 282F]

Truman, Republicans Praise Acheson. Pres. Truman said in Washington Sept. 9 that Acheson's handling of the Japanese peace treaty conference "proves he is a lot smarter than any of these guys who have been attacking him." The President said in effect that Acheson's showing in San Francisco refuted Sen. Joseph R. McCarthy's charges that the Secretary is soft toward communism [see p. 284F]. Mr. Truman told his news conference Sept. 13: "As long as I am President of the U.S., he (Acheson) is going to be Secy. of State." Sen. William F. Knowland (R., Calif.), pro-Chinese Nationalist and anti-Acheson, told the Senate Sept. 10 that the "entire American delegation" to San Francisco "handled themselves in a superb manner" and "the job which Secy. Acheson did in presiding over the conference was outstanding." Sen. H. Alexander Smith (R., N.J.) also praised the Japanese treaty and the U.S. delegation Sept. 11, said the treaty represented "American bipartisanship working at its best." GOP Sens. George W. Malone (Nev.) & Harry P. Cain (Wash.) assailed both the treaty and its negotiators. Malone said the pact would mean the end of Nationalist China and added: "Bipartisanship is collusion and anyone who enters into one of those agreements should be impeached." [See p. 266M]

Acheson also was praised by British Forgn. Secy. Morrison & French Forgn. Min. Robert Schuman when they left San Francisco together by plane Sept. 9 for Western strategy conferences in Washington & Ottawa. Acheson on the San Francisco conference results: "Mission accomplished." [See p. 291J]

Formosa, India Want Separate Pacts. Chinese Nationalist Forgn. Min. George Yeh said in Taipei Sept. 11 the Nationalists are "willing to sign a bilateral treaty with Japan" provided the Japanese recognize the Nationalists as the only legitimate Chinese Govt. Japan will be free under the peace treaty to conclude agreements with either Chinese group. [See p. 282G]

India announced Sept. 10 it will end its formal state of war with Japan when the San Francisco treaty takes effect, also hoped to negotiate a separate Japanese peace pact. [See p. 282G]

'Death Plot' on Gromyko. American police agencies increased their protection of Gromyko and his delegation Sept. 7 after the FBI reported a tip that "White Russians" planned to kill Gromyko by running over his limousine with a beer truck while he drove from his rented mansion to a conference session. No actual attempt on his life was reported.

Gen. Douglas MacArthur, who was praised repeatedly during the San Francisco conference but not invited to it, released in New York Sept. 11 these messages he received after the peace pact was signed: one from Yoshida saying MacArthur "first propounded the principles for a fair and generous peace which we now have at long last"; another from Gen. Matthew B. Ridgway,

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ONE MILLIONTH U.S. WAR DEATH. The one millionth U.S. soldier killed in battle for his country since the Battle of Lexington (April 19, 1775) fell in Korea on Sept. 4, Labor Day, the Assn. of Casualty & Surety Companies reported in New York Sept. 8. His identity is unknown and he is referred to as "GI-X." The U.S. reported Sept. 12 that its published Korean war casualty total reached 82,362 (13,707 dead) Sept. 7. [See p. 282L-M]

Allied commander in Tokio, telling of the "great depth of grateful acknowledgement here of your inspired leadership." [See pp. 281F, 267B, 123E]

Japanese Premier Yoshida and his conference delegation left San Francisco for home Sept. 11 [see p. 282F]. Removal of 10,649 more Japanese Army & Navy officers from the public service purge list Sept. 7 brought the number of military men de-purged by Japan to 60,000. [See p. 258G]

KOREA

Accent on Fighting. With truce negotiations still held up, the UN pressed a "kill-Communists" campaign at several places on the Korean front this week to prevent the Reds from massing for a major offensive. The UN was issuing winter uniforms to its troops and daring the Reds to resume full-scale war.

Gen. James A. Van Fleet, U.S. 8th Army commander, said during a front-line tour Sept. 12 that if the Reds would start a major offensive "it would give us a chance to slaughter them." "They're in bad shape, and we are hurting them more and more," he declared. "They will want peace before winter before we're through with them." He had estimated Sept. 10 that the Reds had suffered 25,000 casualties in the past 2 weeks. The Chinese Red radio complained Sept. 12 that the UN was "openly inviting war" with its "killer" attacks.

The Allies were on the offensive in 3 sectors of the front: near Yongchon in the West, where they drove back Sept. 10 against Red forces that attacked last week; below Pyonggang in the center, where they won another key hilltop position overlooking the Reds' "Iron Triangle" area Sept. 11; north of Inje in the east, where U.S. Marines were said Sept. 12 to have made 1951's deepest UN penetration into North Korean territory.

Reports Sept. 10 said the Reds were using Russian-type 132-mm. land rockets (10,000-yd. range, launched 16 at a time) on the east-central front. Russia's Tass news agency said Sept. 8 that UN reports of "large contingents of Soviet troops in Korea" were false and "calculated to deceive world public opinion."* In another big 30-minute jet fighter battle over northwest Korea Sept. 10, 2 of 80 participating Red MIG-15s were damaged, none of the 30 U.S. F-86 Sabrejets was lost, the U.S. reported. [See p. 282K-L]

UN Admits Kaesong Strafing. After having rejected 10 Red complaints against alleged UN violations of the Kaesong neutral zone, the UN command admitted Sept. 11 that one of its B-29s had strafed the site of the stalled truce talks Sept. 10.

Vice Adm. C. Turner Joy, UN truce team chief, sent the Reds a message that a B-29 attacked "lights" in the Kaesong zone its pilot mistook for another target. Joy said "appropriate" disciplinary measures were being taken against the pilot. UN liaison officers who went to the scene said the plane's bullets hit a group of stone houses but did no actual harm.

Hopes on the UN side that admission of the strafing would give the Reds a face-saving chance to resume truce talks faded when the Communists announced rejection Sept. 12 of Gen. Matthew B. Ridgway's suggestion that a new meeting place be chosen. (UN Secy. Gen. Trygve Lie, in New York Sept. 7, indorsed Ridgway's proposal, said it was time for the Reds to show "definite proof" if their desire for peace is "genuine.") Red commanders Kim Il Sung (North Korea) and Gen. Peng Teh-huai (Red China) denied that the Reds had faked Kaesong incidents, said Kaesong was an ideal conference site and talks would not be resumed until the UN responded satisfactorily to complaints of neutrality violations. Red truce team chief Lt. Gen. Nam Il had charged Sept. 10 that UN planes made 139 flights over the Kaesong zone Sept. 1-8 in violation of agreements. The Chinese Red Radio said Sept. 13 it was "absurd" to believe that the Sept. 10 strafing acknowledged by the UN was accidental.

*What the UN command actually said was that "large numbers of Caucasian 'Soviet puppet' troops" were in Korea. Whether Tass' statement was a denial of that was open to question. [See p. 273C-D]

Meanwhile the Allies in Korea said Sept. 9 that a tank-equipped Red division was in the Kaesong vicinity. [See p. 282H-J]

Maj. Gen. Henry I. Hodes was named 8th Army Chief of Staff in Korea Sept. 7 to replace Maj. Gen. Leven C. Allen, reassigned to the U.S. [See p. 257D]

WEST vs. EAST IN EUROPE

Big 3 Plans German Freedom. Terms of a "peace contract" for West Germany—short of a peace treaty but giving West Germany almost total self-government in exchange for a contribution to Western defense forces—were worked out in Washington Sept. 12-13 by U.S. State Secy. Dean G. Acheson, British Forgn. Secy. Herbert Morrison & French Forgn. Min. Robert Schuman. Under the plan the West Germans would (1) contribute troops to the Atlantic pact army and (2) govern themselves with the Allies retaining power to intervene in German affairs. The Big 3 plan will be submitted to an Atlantic Forgn. Ministers Council meeting in Ottawa Sept. 15. [See pp. 274K, 250P, 219E]

Britain Seeks Steel. Britain has asked the U.S. for 800,000 tons of steel for rearmament purposes but expects no more economic aid from the U.S. except military "end items," Sir Hugh Gaitskell, Chancellor of the Exchequer, said in Washington Sept. 9. He also denied reports that Britain has asked the U.S. to waive a $138,907,395 payment due Dec. 31 on Britain's $3.75 billion loan in 1946 from the U.S. [See p. 270H]

RFC Admin. W. Stuart Symington announced Sept. 12 that by Oct. 1 Britain will have fully repaid $425 million it borrowed from the RFC Aug. 1, 1941. Interest & principal are being entirely paid from dividends & interest earned by British-owned U.S. securities posted by Britain to secure the loan. The securities were worth $500 million when first pledged, have doubled in value since. They are being returned to Britain, half now, half after the loan is cleared. [See Vol. I, p. 303D]

Atlantic Defense. Azores bases of the U.S. will be increased and made available to the North Atlantic Treaty Org. under a new U.S.-Portuguese agreement signed in Lisbon Sept. 6. The U.S. reportedly will get military use of 2 Azores airfields instead of one. [See Vol. VIII, p. 38L] . . . Gen. Charles de Gaulle, addressing the Anglo-American Press Assn. in Paris Sept. 12, said Western defense preparations to date are unimpressive, the French Army's identity is being "suppressed" and plans for an international European Army to include Germans are vague "alchemist mixtures, algebraic combinations and cabalistic formulas." [See pp. 198E, 147P] . . . A Belgian 7-mm. automatic rifle demonstrated in Brasschaet, Belgium Sept. 6 is better than latest U.S. & British models and should be made standard in the NATO forces, its Belgian inventors contend. It can use the ammunition of Britain's new .28 caliber rifle. [See p. 250P]

Other German News. Eastern & Western Berlin called off Sept. 8 a 24-hour contest of truck & automobile seizures started when Willy Kressman, Mayor of the West Berlin borough of Kruezberg, decided to tax Soviet-zone vehicles the same way Western vehicles are taxed in East Germany. West Berlin city officials ordered Kressman to lift the borough tax. West & East German officials resumed informal trade talks Sept. 10. [See p. 283N] . . . The Assn. of German Soldiers, a new merger of veterans' organizations, was formed in Bonn Sept. 9. It is supposed to bar Nazis & Communists. It recommended Sept. 9 that Germany take part in European defense if it can do so under "conditions of equality." (West German Chancellor Konrad Adenauer said in a speech Sept. 12 that Germany must be made "truly free" before it will support Western defense wholeheartedly.) [See pp. 242P, 234H-J] . . . Argentina ended its state of war with Germany Sept. 12. [See p. 275C] . . . Russia apologized to the U.S. Sept. 8 for the killing Sept. 6 of Robert de Brake of Antioch, Calif., a U.S. soldier shot by East German police when his car crashed into a Soviet zone border post at Lichterfelde Sued . . . Adolf Hitler considered breaking off diplomatic relations with the U.S. in 1938, decided against it for fear the break would make the late Pres. Roosevelt more popular, according to German Forgn. Ministry files made public by the U.S. State Dept. Sept. 8. [See p. 235F]

Czechoslovakia. A Czech railroad engineer, Frazek Jarda, ran his train into the U.S. zone of Germany at Selb-Ploeszberg Sept. 11 so he and 24 anti-Communist passengers, including his wife and 2 children, could escape from Czechoslovakia. Jarda passed up the station in the Czech border town of Asch, and an unidentified confederate switched the train onto a track leading into Germany. He and the anti-Red passengers were granted sanctuary

in Germany Sept. 12, and U.S. officials refused to return the train or let 87 other passengers go back to Czechoslovakia. Indications were that the U.S. would hold out for release of newsman William N. Oatis. [See p. 274E]

Soviet demands for more Czech industrial production were believed responsible for a Czech Communist Party shakeup Sept. 7 that saw Rudolf Slansky removed as party secretary general. He was reduced to membership in a new 7-member Communist political committee headed by Czech Pres. Klement Gottwald. Karol Bacilek was named State Control Minister Sept. 9 to push the production drive. [See p. 255A; Vol. IX, 385G]

Yugoslavia. In a Sofia speech Sept. 8 (anniversary of Bulgaria's liberation from the Nazis by the Red Army), Soviet Marshal V. D. Sokolovsky said there was "no doubt" that Marshal Tito's rule of Yugoslavia is "coming to an end." Yugoslavia made a formal complaint to the UN Sept. 12 against an Albanian attack on a Yugoslav frontier post Sept. 2. Belgrade said there are 100 clashes a month with Cominform states. [See 287A, 267H-J]

Propaganda War. Russia has sent up fighter planes to shoot down Crusade for Freedom propaganda balloons in Czechoslovakia & Poland, Harold E. Stassen said in New York Sept. 11. [See p. 257F] . . . Stefan Martkya, chief commentator on Polish foreign broadcasts who specialized in answering the Voice of America, was shot to death Sept. 9 by "secret fascist brigands," Poland announced Sept. 12. [See p. 261H] . . . 7 British Quaker representatives returned to London Sept. 13 from a trip to Russia and reported: "There is no question of the eagerness of the ordinary Russian for an assured international peace"; the Soviet Union distorts Western intentions and shuts its people off from the outside world but use of the same tactics is "increasing" in the West; the Soviet bloc is "largely" to blame for East-West tension. [See pp. 242F, 237E; Vol. X, 34G]

NATIONAL AFFAIRS

THE PRESIDENT

Marshall Resigns. Gen. of the Army George Catlett Marshall, 70, retired as Defense Secretary Sept. 12, and Pres. Truman nominated Dep. Defense Secy. Robert Abercrombie Lovett, who will be 56 Sept. 14, to succeed him. Economic Cooperation Admin. William Chapman Foster, 54, was named Deputy Defense Secretary, and Dep. ECA Admin. Richard M. Bissell Jr., became Acting ECA Administrator. Mr. Truman, accepting Marshall's resignation "with very great reluctance," lauded his "many services to the country," particularly his leadership in "establishing a sound basis for our military manpower and production program which already has tremendously increased our defensive strength." Marshall served the country almost 50 years, held some of the nation's top posts. He was Army Chief of Staff for 6 years throughout World War II, then went to China as special Ambassador to try to end the civil war. Returning in 1947, he served 2 years as State Secretary and one year as Secretary of Defense. [See Vol. VII, p. 4D-E for detailed biog. data, Indexes to Vols. I-XI for actions of past 11 years]

LOVETT

Facts on Lovett. Born Sept. 14, 1895 in Huntsville, Tex. Educated at Yale and Harvard Law. Fought as Navy flier in World War I. Partner in Brown Bros., Harriman & Co. banking firm between Govt. assignments. Special Asst. to War Secy. 1940-41. Asst. War Secy. for Air 1941-45. State Undersecretary 1947-49. Dep. Defense Secy. since 1950. He was Marshall's choice for latter 2 posts and frequently took over for his chief when Marshall was absent. Married Adele Quartley Brown in 1919. Children—Evelyn, Robert Scott 2d. [See Indexes to Vols. I, VII-XI]

Scores Budget Critics. Pres. Truman Sept. 11 denounced critics who through "ignorance" or "malice aforethought" circulate "misinformation" about the budget "to frighten voters" into thinking "we are spending our way into national bankruptcy." An article by Stanley High in the July *Reader's Digest* (Mr. Truman did not name High; the identification was made by aides) about Govt. "waste" and "extravagance" was "just a pack of lies," the President said, although he conceded that "there are bound to be some cases of waste or extravagance" in such a big operation. His charges were made in an address dedicating the new $25 million Gen. Accounting Office Bldg. in Washington.

High's article included a chart showing that "growth in *peacetime* spending" of U.S. agencies during 1940-50 ranged up to 1,634% in the State Dept. It cited these Congressional findings: Most Govt. employes "get 10 weeks off every year at full pay"; cost of putting through purchase orders, many for items under $20, averaged up to $23.94 each; many Govt. employes did not have enough work to keep occupied full-time, were told to look busy, falsify work records. [See Vol. X, p. 417C]

High's data were an example of "butterfly statistics"—"statistics so meaningless that they seem to have been plucked right out of the air with a butterfly net," Mr. Truman said. Actually, he declared, "our budget is as tight and solid as we can make it." Most of it, he said, is not even controversial, $50 billion or 70% being for national security, $6 billion for interest on the public debt and $5 billion to aid veterans. Only $8½ billion of the $68 billion budget will go for other things than to pay for defense or expenses of past wars, "yet some people are saying you can cut $6 billion from the budget." Non-defense expenditures increased 68% "in dollar terms" during 1940-50 but actually declined if price adjustments are considered. And it "may be a surprise to most people," he said, but the Administration operated the Govt. with a surplus of nearly $8 billion in the past 5 years. [See pp. 284E, 212H]

Views Flood Damage. Pres. Truman inspected Kansas and Missouri flood damage Sept. 6 during a 4-day stay at his Independence, Mo. home while en route back to Washington from San Francisco. He had seen the ruined areas from the air when he arrived in Kansas City by plane Sept. 5. Mo. Gov. Forrest Smith told Mr. Truman Sept. 7 that his $400 million flood relief-insurance plan was "far short of completely compensating for losses suffered." He proposed an alternate calling for Govt. insurance covering not only floods but "other such disasters as earthquakes, etc." The Agriculture Dept. estimated Sept. 8 that the recent flood and rains caused crop losses of $219 million in Kansas, $156 million in Missouri, $54 million in Illinois and $10 million in Oklahoma. (The Agriculture Dept. Sept. 6 designated areas in Texas, Oklahoma, Kentucky & Ohio as drought-stricken, making farmers there eligible for disaster relief loans.) [See pp. 267N, 280L]

Mr. Truman told American Legionnaires at a post meeting in Independence Sept. 6 that "my decision to send our boys into Korea was made with the belief and hope it would avert World War III." He said he believed there would not have been a 2d world war if action had been taken against Japan in Manchuria in 1930, against Mussolini in Ethiopia in 1935 or against Hitler in 1938. Dedicating a $67,000 Organized Reserve Corps armory in Kansas City Sept. 6, he stressed the need for a civilian background for the armed forces and said George Washington called for universal training in 1792. [See pp. 267G, 203M]

Eisenhower a Republican? Roy A. Roberts, *Kansas City Star* president, announced in Kansas City Sept. 9 that Gen. Dwight D. Eisenhower told him he was "a good Kansas Republican." Eisenhower's name was entered provisionally Aug. 27 as a Democratic candidate for President in Oregon's May 1952 primary, where a candidate's consent is not needed. [See p. 259G]

N.Y. Gov. Thomas E. Dewey, after reporting to Pres. Truman on his Far Eastern tour and conferring with Senate leaders of a GOP "Draft Eisenhower" movement, predicted Sept. 13 that Eisenhower would receive and accept the Republican Presidential nomination. [See p. 228C]

Also Appointed. Ex-Gov. Chester Bowles (D., Conn.), 50, as Amb. to India & Nepal Sept. 12, succeeding Loy W. Henderson [see pp. 278L, 28J-K]. Henderson was named to replace Dr. Henry F. Grady, who retired as Amb. to Iran. (Marguerite Higgins reported from Teheran in the *N.Y. Herald Tribune* Sept. 13: Grady quit because State Secy. Acheson turned down "every important recommendation" by Grady in the past year, helped Britain put pressure on Iran in the oil crisis despite warnings that "old-style colonialism does not work" in the present-day Middle East.) [See pp. 294J, 227A, 151P]

Ousted. Llewellyn M. Williams as Alaska Secretary (replaced by Joseph W. Kehoe) for undisclosed reasons, Sept. 12.

CONGRESS

Senate Votes Record Funds. A record $59,508,009,630 armed forces appropriation bill—$3,483,292,430 more than the House voted—was approved by the Senate, 79-0, Sept. 13 and sent to joint conference. The vote came after the Senate accepted an

amendment by Sen. H. Alexander Smith (R., N.J.) to cut 2½% (about $1,527,596,400) from an earlier $61,033,856,030 version. The Defense Secretary may apply the cut as he sees fit. These are the uncut sums he will work with: Army $20,026,170,030, Air Force $20,001,585,000, Navy & Marines $15,544,891,000, Defense Secy.'s Office $5,592,450,000 (including $5 billion to expand air power), Natl. Security Resources Board $1,600,000, Natl. Security Council $160,000.

The bill limits civilian employment by the forces to 500,000, bars flight pay except for combat fliers and those who fly at least 20 hours a month, limits Army & Air Force spending of the above appropriations to 2 years (but makes no limit for the Navy) and knocks out provisions of the House bill that would have (1) required release after 12 months' duty of World War II veterans and (2) barred retirements before serving the number of years fixed by law. [See p. 252N]

Mail Rate Boost Voted. A bill increasing mail rates by almost $400 million a year was passed by Senate voice vote and sent to the House Sept. 7. It would raise charges for (1) first class mail from 3¢ an ounce for sealed letters to 4¢ and for post cards from 1¢ to 2¢, (2) airmail from 6¢ an ounce to 8¢, (3) 2d class mail for magazines by 60% in 3 annual steps of 20% each, (4) 2d class mail for newspapers by 30% in 3 annual 10% steps, (5) 3d class mail of advertising matter, catalogs, seeds & plants by 50% in 2 annual 25% steps, (6) special delivery letters from 15¢ to 20¢, (7) insured, registered and C.O.D. mail by $24 million a year, (8) parcel post and other 4th class mail by about $63 million annually. Publications of religious, charitable and other nonprofit organizations, periodicals for classroom or religious instruction and books were exempted. The bill would also give the Post Office's 500,000 employes the same annual vacations as other Govt. workers, raising the yearly maximum from 15 days to 26. (Postal money orders became cashable at banks instead of only at post offices July 2.) [See p. 68G]

Lithofold Probe. James B. E. Olson, 56, ex-N.Y. supervisor of the Alcohol Tax Unit, admitted to a House Ways & Means subcommittee in New York Sept. 10-11 that the American Lithofold Corp. paid him $5,909.81 in 1949-50 in sales commissions and salary as a vice president. But he said all he ever did for the money was "make 2 phone calls." He denied knowing until later that the commissions were for sales to liquor companies under his jurisdiction. Rep. Carl T. Curtis (R., Neb.) called sales to such companies a "shakedown." Olson said Joseph D. Nunan, ex-Internal Revenue Collector in New York, split the commissions with him, and James P. Finnegan, ex-Internal Revenue Collector in St. Louis, arranged the tie-up.

Olson also testified that he did "nothing in particular" to earn $48,000 paid him by liquor companies in 18 months in 1945-46 but he said he didn't have to work for the money because "my presence alone was helpful" in "public relations."

Vonne V. Circele, a Lithofold sales representative, denied Sept. 10 & 12 Olson's testimony that he did little to earn his Lithofold pay. Circele testified that Olson phoned him frequently about liquor accounts. [See p. 277K]

Sen. John J. Williams (R., Del.) charged Aug. 30 that Lithofold got $3½ million in Govt. contracts after hiring Democratic Natl. Chrmn. William M. Boyle Jr. as its attorney. He said Finnegan was also a former Lithofold employe. [See p. 277J-K]

RFC Probe. RFC Admin. W. Stuart Symington announced Sept. 12 that findings of "irregularities" in a loan involving Rep. Frank W. Boykin (D., Ala.) have been turned over to the Justice Dept. for possible prosecution. Symington said that Stutts lumber Industries, Inc., which has been cutting timber on Alabama forest lands owned by Boykin and his family, hurriedly obtained a $455,758 RFC loan in 1949 and immediately used $300,000 of it to "bail out" the Thomasville (Ala.) Bank & Trust Co. which was facing "difficulties" with federal bank examiners over Stutts overdrafts and unsecured advances. [See p. 165K]

Mundt Scores '7 C's.' Sen. Karl E. Mundt (R., S.D.) predicted in a radio interview Sept. 8 that the Democrats are "about to be sunk beneath the 7 C's" of corruption, crookedness, communism, conniving, chiseling, chicanery and conspiracy "that has made this Administration smell to high heaven." An advocate of GOP-Dixiecrat collaboration, he offered Aug. 19 to back Sen. Harry F. Byrd (D., Va.) for President. [See p. 213M]

Ikard Elected, Towe Quits. Frank Ikard (D.), 37, was elected to the House from Texas' 13th Congressional Dist. Sept. 8. Rep. Harry L. Towe (R., N.J.) resigned from the House effective Sept. 7 to accept appointment as Dep. State Atty. Gen. in charge of the Bergen County Prosecutor's Office. [See Vol. X, p. 367G]

Capehart Amendment. The Senate Banking Com. refused 8-5 Sept. 10 to recommend immediate repeal of the Capehart amendment to the price control law but it agreed to hold 4 or 5 days of hearings on the proposal. [See pp. 275P-276A]

House Recess. The House was in recess for 19 days Aug. 23-Sept. 12. [See p. 5P]

ARMED FORCES

2 Guard Units Called Up. The Army announced Sept. 12 that it will call up 2 more Natl. Guard divisions early in 1952—Ohio's 37th under Maj. Gen. Leo Kreber Jan. 15 and Illinois' 44th under Maj. Gen. Harry Bolen Feb. 15. This will raise the number of Guard divisions federalized to 8. A 9th will be called up later in 1952. 2 regimental combat teams are also being federalized. Gen. J. Lawton Collins, Army Chief of Staff, revealed in a letter to Sen. Henry C. Dworshak (R., Ida.) Sept. 10 that the Army will use individual Guardsmen and members of other units to replace all troops who "endured the bitter combat conditions in Korea last winter" before the onset of cold weather. But the Army promised Sept. 11 that Guardsmen will be used as general replacements only after 4 months' federal service and that wherever possible such levies will be concentrated on men drafted into the Guard outfits. [See p. 220A]

Naval Academy's 3 upper classes have adopted an honor system under which the middies themselves will police exams to bar cheating, it was announced Sept. 11. Incoming classes can accept or reject the system as they see fit. . . . **21 cadets** ousted from West Point for cribbing have been accepted by the U. of Notre Dame and their board and tuition will be paid by an anonymous millionaire, the university announced Sept. 10. 17 were rejected. [See p. 284P] . . . **Roosevelt Ward Jr.,** 21, executive secretary of the Labor Youth League, was sentenced to 3 years in prison in New Orleans Sept. 10 for draft evasion. [See p. 180L] . . . **Sen. Homer Capehart** (R., Ind.) Sept. 10 denounced an Army comic book as "socialistic propaganda." Entitled *Sad Sack,* it was used to encourage reenlistment by depicting the sad lot of a soldier who found civilian life worse than the Army. [See pp. 276A, 268B] . . . **A "flying saucer"** speeding along the New Jersey coast at 900 mph. was reported by 2 Air Force jet pilots Sept. 10. They said they followed it for 2 minutes in their 450-mph. T-33 jet trainer but it outsped them. [See p. 55H] . . . **Jewish War Veterans** elected Paul Ginsberg national commander in Atlanta Sept. 6. [See Vol. X, p. 323N]

GENERAL

MIT Professor Indicted. Prof. Dirk Jan Struik, 56, internationally known mathematician of Dutch origin and self-styled "good Marxist," was indicted in Cambridge, Mass. Sept. 12 on charges of conspiring to overthrow the governments of Massachusetts and the U.S. MIT suspended him. Harry E. Winner, Malden factory official, was indicted as co-defendant. [See 253L]

Ruth Reynolds Sentenced. Ruth M. Reynolds was sentenced to 2 to 6 years in prison in San Juan Sept. 7 for violating Puerto Rico's anti-subversive law. [See p. 286J]

Indiana Loses Aid Appeal. Fed. Security Admin. Oscar R. Ewing, who withheld Indiana's $18 million-a-year share of federal welfare funds because a state law makes relief rolls public, was upheld by Fed. Dist. Judge Alexander Holtzoff in Washington Sept. 7. [See p. 245H]

Negro Jurors in Georgia. Superior Court Judge Frank Guess in Atlanta Sept. 11 ordered inclusion of Negroes in trial and grand juries in Dekalb County, Ga. His order quashed the indictment by an all-white grand jury of a Negro on charges of raping a white woman. [See p. 256H; Vol. X, 166E; IX, 230E]

FOREIGN AFFAIRS

Britain. The Trades Union Congress in Blackpool Sept. 3-7 voted to reject Aneurin Bevan's "neutralist" views and back British rearmament, but it called for more East-West trade and condemned "American interference" in Britain's trade policy. On domestic issues the TUC rejected leftist proposals that the Govt. seize profits of private enterprises to raise wages, demanded that the Govt. take firmer action to control prices, backed the

Govt.'s decision to charge fees for some national health services, criticized the Govt. for not giving women equal pay with men. [See pp. 286M, 278B]

China. Col. V. S. Hsiang reported to the U.S. Senate Preparedness Subcom. last year that Commerce Intl., Inc. offered him $150,000 to let it handle a Chinese Nationalist purchase of 25 surplus P-51 planes, the *New York Times* said Sept. 9. Commerce Intl. denied Sept. 10 it had been guilty of corruption, said Hsiang and Lt. Gen. P. T. Mow are trying to win sympathy so they can stay in the U.S.

Columnist Drew Pearson said Sept. 12 that 2 Commerce Intl. men engineered the sale of 62,000 rounds of U.S. Navy shells to Nationalist China a year ago and "got a 12% commission." Pearson said a U.S. admiral and 10 other retired U.S. officers stationed on Formosa were hired as "advisers" to help put across the transaction. [See p. 283B-C]

France. The Natl. Assembly approved a 3 billion-franc ($8½ million) annual Govt. subsidy to Catholic schools by a 322-251 vote Sept. 10 and sent the bill to the Council. [See p. 286M-N] . . . The Cabinet Sept. 8 raised the minimum wage 15% from 87 francs (25¢) an hour to 100 francs (28¢) and increased pensions, aid to the needy and family allowances 15% also. It simultaneously raised coal prices 20% at pithead and 5% for home use and authorized prices of electric power and steel to reflect the coal increase. 10% cuts in retail meat prices ordered Sept. 3 took effect Sept. 7. [See p. 110B]

Greece. Field Marshal Alexander Papagos' new Greek Rally emerged as Greece's biggest party in Parliamentary elections Sept. 9 but failed to win an absolute majority, according to virtually complete returns Sept. 11. Prospects were that Papagos will have to form a coalition to establish a government unless he receives the overwhelming majority of 180,000 soldier votes yet to be counted. He has indicated he will refuse to head a coalition regime. The Greek Rally polled about 34% of the popular vote, Gen. Nicholas Plastiras' Progressive Union 23.7%, Premier Sophocles Venizelos' Liberals 19.6%, the Communist-led Union of Dem. Leftists 11.2%. Constantin Tsaldaris' Populists, George Papandreou's Dem. Socialists and the Agrarians trailed. The Greek Rally is expected to get about 115 out of 250 seats in Parliament. 2 million men voted in the elections. [See p. 254M]

India. Prime Min. Jawaharlal Nehru became president of the governing Congress Party Sept. 9, succeeding Purchottamdas Tandon who resigned Sept. 7 in a policy dispute. [See p. 278D] . . . Canada concluded agreements Sept. 10 under which it will advance $15 million to India and $10 million to Pakistan for Colombo Plan projects during 1952. [See p. 211L]

Iran. Britain blocked Iran's sterling balances in the U.K. Sept. 10 and banned export of essential raw materials and manufactures to Iran in another move to create so much economic trouble for Premier Mohammed Mossadegh that he will have to resign. The British said their economic action against Iran was justified because Iranian oil nationalization (1) has deprived Britain of large dollar earnings from Anglo-Iranian oil and (2) may force Britain to spend up to $350 million a year for oil it formerly obtained from Iran. The blocking of Iran's sterling balances caused the U.S. dollar value of the Iranian rial to drop Sept. 11 from 60-$1 to 67-$1 on foreign exchange markets. Teheran bankers predicted the rial may drop to 100-$1.

So many Iranian deputies opposed to Mossadegh stayed away from the Majlis (Parliament) in Teheran Sept. 6 & 9 that he could not muster a quorum for a vote of confidence on his policies. 14 old-guard oppositionists issued a manifesto Sept. 10 calling Mossadegh's oil nationalization program a failure because "the oil industry has come to a standstill" and "the general situation is steadily worsening." [See pp. 292N, 286N]

Jordan. King Talal reappointed Abdul Huda Pasha as Premier of Jordan Sept. 8. New Cabinet:

Premier—Abdul Huda Pasha
Vice Prem., Interior—Said Mufti
Chief Justice of Moslem Courts—Mahammed Amin Shankiti
Trade & Industries—Suleiman Sukkar
Education—Ruhi Abdul Hadi
Agri. & Defense—Suleiman Tukan
Finance—Abdul Halim Hamoud
Communications & Works—Hashem Jayyusi
Justice & Reconstruction—Anastas Hannaia [See pp. 286P, 238P]

New Zealand. Prime Min. Sidney Holland's Natl. Party increased its strength in Parliament by winning 50 Parliamentary seats to Labor's 30 in elections Sept. 1, final returns showed Sept. 11. The Natl. Party held 46 seats in the previous Parliament. [See p. 159E; Vol. IX, 424M]

FINANCE & ECONOMICS

Auto Price Rise, No-Shifts Curbed. The Office of Price Stabilization authorized auto makers Sept. 7 to raise prices of new passenger cars by about 3% to 7% (average 5%-6%). It announced that retailers will be allowed to apply their customary margins to the new manufacturer ceilings. As a result, retail prices were expected to go up an average of 8%. [See p. 262H]

The Natl. Production Authority put quotas Sept. 11 on the number of automatic transmission autos manufacturers can produce in a move to save aluminum and alloy steel. Beginning Oct. 1, only 35% of cars with FOB prices of $1,800 or less can be made with no-shift transmissions and only 65% of those in the $1,800-$2,500 price range can have them. No limit was set for cars costing over $2,500. The order will affect only Gen. Motors which has been equipping 40%-41% of its Chevrolets (under $1,800) and 83% of its Pontiacs ($1,800-$2,500) with the popular new devices. Other manufacturers of low-priced cars make fewer or none with automatic transmissions. [See p. 262J]

Steel Shortage 'Shocking.' Defense Mobilization Dir. Charles E. Wilson told scrap steel industry and Govt. officials in Washington Sept. 11 that he was "shocked" at the poor prospects for this winter's steel output. The industry has "just got to" produce 1,000,000 more tons in the first quarter of 1952 and 1-2 million more tons in the 2d than it did in 1951 (Jan.-June 1951 output: 52,271,903 tons of raw steel), he said. He demanded a production rate of 110 million tons annually for 1951 and 118 million for 1952. He said 36 million tons of scrap will be needed this year. Defense Production Admin. Manly Fleischmann added that the scrap shortage amounted to an "emergency." [See 287J]

(11 commodities taken off the critical list by the Defense Minerals Admin. Sept. 7 as in "balanced" supply for 5 years: limestone, fluxstone, "other limestone," dolomite, caustic lime, dead-burned dolomite, caustic-burned dolomite, magnesite, periclase and magnesium oxide.) [See p. 11H]

False Trade-Ins Checked. Rules to halt "fictitious" trade-ins "used as a cloak to conceal evasions of the down payment requirements" were issued by the Fed. Reserve Board Sept. 9. They require trade-in allowances to reflect the item's true value and bar using a trade-in as a down payment in cases where dealers mark up prices so as to collect all or most of the list price in installments. [See Vol. X, p. 334E]

U.S. agricultural exports were worth $3,409,245,000 in fiscal 1951, up 14% over 1950, the Agriculture Dept. reported Sept. 9. Leading farm export: cotton, $935,332,000, against $943,972,000 the previous year. **Agricultural imports** amounted to $5,135,584,000, up 16%, the leaders being coffee (2,810,708,000 lbs. worth $1,370,120,000), rubber (1,742,852,000 lbs., $734,265,000), wool (231,135,000 lbs., $170,764,000), sugar (3,896,000 tons, $412,912,000). [See pp. 287L, 279H, D, 268J, 191C, 38K, 11J] . . . **Farm population** has dropped from 32 million (35% of the total population) in 1910 to about 24,200,000 (16%) in 1950, Agriculture Secy. Charles F. Brannan said Sept. 10. [See p. 119H; Vol. X, 148D] . . . **Telephones** in use in the U.S. as of June 30: 44,220,000, compared with an estimated world total of 76,800,000 (reported by American Tel. & Tel. Sept. 7). The U.S. averaged 175 million phone calls a day (168,780,000 local, 6,220,000 long distance) in April-June. U.S. telephone plant & equipment investment amounted to $11,695,000,000. [See pp. 279J, 22M] . . . **Great Northern Ry.** was authorized by the ICC Sept. 7 to buy the Pacific Coast R.R. for $1,700,000. [See pp. 183M, 55B-C; Vol. X, 207E, 213K] . . . **Baldwin-Lima-Hamilton Corp.** finished its last railroad locomotive Sept. 11. It will now make only power shovels, cranes and other construction equipment. . . . **Bigelow-Sanford Carpet Co.** cut prices an average of 10% Sept. 5, its 3d 10% cut since the spring. [See 36M, 62K]

Western Union's new rates eliminating the 100-year-old 10-word telegram took effect Sept. 1. The new minimum rate applies to 15 words. Most telegrams will cost 9% to 50% more. [See p. 279J] . . . **N.Y. Stock Exchange prices,** rising moderately, hit a 21-year peak Sept. 4 and then subsided. [See p. 215D-H] . . . **Commodity Credit Corp.** reported Aug. 29 that it lost $345,599,000 in supporting farm prices during fiscal 1951, against a $249,230,000 loss in 1950. Price support investment as of June 30: $1,766,784,000. [See p. 215H] . . . **Transatlantic freight**

rates will go up 10%-20% Oct. 1-Nov. 1 under new schedules announced by 5 freight conferences and the Robin Line in New York Aug. 29. [See Vol. X, p. 287E] . . . **Bolivian Govt.** Aug. 30 accepted an RFC offer of $1.12 a lb. for one month of tin shipments pending a long-term contract. [See p. 246J]

BUSINESS & FINANCIAL SUMMARY

Week Ended Sept. 8

FINANCE:			
U.S. Treasury—	**This Week**	**Last Week**	**Year Ago**
Monetary gold stocks	$21,854,000,000	$21,800,000,000	$23,577,000,000
Currency circulation	$28,262,000,000	$28,034,000,000	$27,259,000,000
Banks—			
Com'l, ind'l & agri'l loans	[a]$19,502,000,000	$19,503,000,000	$14,739,000,000
N.Y. bank clearings	$6,386,380,422	$7,004,777,781	$6,554,207,877
N.Y. bank loans	[r]$7,020,000,000	$6,968,000,000	.....
England note circulation (£)	1,353,520,000	1,357,995,000	1,298,968,000
N.Y. Stock Exchange—			
Stock sales (shares)	7,452,594	7,356,872	5,855,020
Stock avgs. (100 stocks)*	147.25	145.77	132.11
Bond sales	$12,412,000	$10,962,100	$13,415,900
Bond avgs. (30 bonds)*	99.91	99.62	100.52
AGRICULTURE:			
Wheat price (bu.)	$2.69¾	$2.66	$2.52⅜
Corn price (bu.)	$2.09¾	$2.04½	$1.80¾
Cotton price (lb.)	$.352	$.352	$.418
Crop Estimate¶—	**1951 Est.**	**1950 Actual**	**1940-49 Avg.**
Corn (bu.)	3,130,775,000	3,131,009,000	2,980,777,000
Wheat (bu.)	[e]999,149,000	1,026,775,000	1,071,310,000
INDUSTRY:	**This Week**	**Last Week**	**Year Ago**
Auto output (cars, trucks)†	97,797	131,150	144,271
Crude oil (bbls. daily)	[b]6,231,800	6,220,250	5,759,630
Soft-coal output (tons)	[c]10,800,000	10,290,000	11,005,000
Elec. output (kwh.)	[b]7,145,609,000	7,076,534,000	6,459,386,000
Carloadings (cars)	[b]829,391	838,587	852,321
PRICES:			
Wholesale food index‡	[d]$6.82	$6.89	$6.65
Weekly wholesale commodity index (BLS, 1926=100)	[d]176.7	176.8	168.3
Consumers' index (BLS, 1935-39=100)	**July 15**	**June 15**	**July 15, 1950**
Foods	185.5	185.2	172.0
Apparel	227.7	226.9	208.2
Rent	203.3	204.0	185.5
Farm indexes (Agriculture Dept., 1910-14=100)—	136.2	135.7	131.3
Rcd. by farmers	**Aug. 15**	**July 15**	**Aug. 15, 1950**
Paid by farmers	292	294	267
BUSINESS:	282	.....	258
New incorporations‡	**July**	**June**	**July 1950**
Mfrs.' inventories§	6,386	6,810	7,171
Mfrs.' sales§	$40,500,000,000	$39,642,000,000	$29,800,000,000
Personal income rate§	$19,800,000,000	$22,421,000,000	$18,700,000,000
Farm rate	[r]$251,600,000,000	[r]$251,000,000,000	$220,700,000,000
Wage & salary rate (pvt.)	$22,400,000,000	$20,900,000,000	$13,600,000,000
Govt.(all) payroll rate	$140,400,000,000	$139,700,000,000	.....
Dept. store sales (Fed. Res. Board, 1935-39=100)	$29,200,000,000	$28,700,000,000	.....
Failures (Aug. 30)‡	**This Week**	**Last Week**	**Year Ago**
	[b]300	279	310
	164	130	143

*N.Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet §Commerce Dept. ¶Agriculture Dept. Sept. 11 estimated 1951 crop volume at 133% of 1923-32 avg., 2d highest on record [a]Fed. Reserve member banks, 94 cities, Aug. 29 [b]Sept. 1 [c]Aug. 25 [d]Sept. 4 [e]650,738,000 bu. winter wheat, 348,411,000 spring wheat [r]Record

NEW EXECUTIVES

Organization	Executive	Post	Date
Amer. Natl. Retail Jewelers Assn.	Leo F. Henebry of Roanoke, Va.	Pres.	Aug. 16
Blaw-Knox Co. (Pittsburgh)	W. Cordes Snyder Jr.	Pres.	Sept. 7
Canada Steamship Lines, Ltd.	Col. K. R. Marshall	Chrmn.[1]	Aug. 15
	T. Rodgie McLagan[2]	Pres.	Aug. 15
Caribe China Corp. (San Juan)	William T. Pomeroy	Pres.	Aug. 29
Cities Service Refining Corp.	Louis D. Mann	Pres.	Aug. 20
Foote, Cone & Belding (Chicago)	Robert F. Carney	Chrmn.	Aug. 16
	Fairfax M. Cone	Pres.[3]	Aug. 16
Hearst Consolidated Corp.	Wm. Randolph Hearst Jr.	Pres.	Aug. 30
	J. D. Gortatowski	Chrmn.	Aug. 30
Hearst Publishing Co.	Randolph A. Hearst	Pres.	Aug. 30
	J. D. Gortatowski	Chrmn.	Aug. 30
Intl. Assn. of Advtg. Agencies	A. L. Beyea	Pres.	Aug. 14
Lion Match Co.	Serge B. Bazavoff	Chrmn.	Aug. 17
	Monroe Greenbaum	Pres.	Aug. 17
Mfrs. Trust Co.	H. C. Flanigan	Pres.[4]	Sept. 4
U.S. Airlines, Inc.	James A. Wooten[5]	Pres.	Sept. 10
U.S. Rubber Co.	H. E. Humphreys Jr.	Chrmn.[6]	Sept. 1

[1]Switches from president [2]President of Canadian Vickers, Ltd. [3]Switches from chairman; succeeds Don Belding who becomes chairman of executive committee [4]Succeeds Henry C. Von Elm who becomes honorary chairman [5]Ex-president of Alaska Airlines [6]Continues as president; succeeds Herbert E. Smith as chairman

ARTS & SCIENCE

Chemists Meet. Revolutionary studies of the chemistry of life revealing the molecular structure of some proteins were described by Profs. Linus Pauling & Robert B. Corey of California Institute of Technology at the diamond jubilee meeting of the American Chemical Society held in New York Sept. 3-7 [see p. 286D-E]. Dr. Fred Sanger of Cambridge U. (Eng.) reported he has partially determined the molecular structure of insulin. Dr. Wendell M. Stanley of the U. of California, a Nobel Prize-winning biochemist, said cancer may begin as a virus infection. He reported examples of virus-induced cancer in animals. Dr. Roger J. Williams of the U. of Texas predicted that purified nutriments such as vitamins and minerals may be used to treat some mental and other obscure ailments. He noted the use of vitamins to remove the craving for alcohol in alcoholics. The ACS meeting took place during the first week of a 2-week world chemical conclave in New York. [See p. 284F]

Winners of 9 major chemistry prizes were announced at the ACS meeting Sept. 3. All but the 9th carry $1,000 awards. The winners: Dr. Harrison Brown of U. of Chicago, ACS award in pure chemistry; Dr. Joel H. Hildebrand of U. of Calif., Scientific Apparatus Award in Chemical Education; Dr. Yves René Naves of Geneva, Fritzsche award and gold medal for essential oils work; Dr. Carrell H. Whitnah of Kansas State College, Borden award in milk chemistry; Dr. David M. Bonner of Yale, Eli Lilly & Co. award and gold medal for biological chemistry; Dr. Vladimir Haensel of Universal Oil Products Co. (Riverside, Ill.), Precision Scientific Co. award in petroleum chemistry for work in production of high-grade gasoline and rare chemicals; Dr. Bernard L. Horecker of Natl. Institute of Health (Bethesda, Md.), Paul-Lewis Laboratories award in enzyme chemistry; Dr. Melvin Guy Mellon of Purdue U., Fisher award in analytical chemistry; Dr. Gladys A. Emerson of Merck Institute for Therapeutic Research (Rahway, N.J.), ACS' Garvan Medal for 1952, an annual award to a woman chemist for distinguished achievement, for work in nutrition, especially in vitamins. [See pp. 167D-E, 119N, 88F; Vol. X, 418M, 303H-L]

Space Voyages Planned. An Intl. Astronautical Fed. to coordinate research on flight to the moon and planets was formed by scientists of 10 nations at the 2d Intl. Congress on Astronautics held in London Sept. 3-8. Rocket experts said they expect a piloted rocket to fly to the moon and back before the year 2000. First step: a 50-ton earth satellite vehicle which may be circling the earth at 18,000 mph. 300 miles up within a decade. A 3-year flight to Mars using such artificial "moons" as way stations was outlined in a paper by Dr. Wernher von Braun, designer of the German V-2 rocket now employed on U.S. rocket projects. [See p. 253B; Vol. VIII, 423F]

Polio Conference. A virus called Coxsackie (from the New York town where it was discovered in 1947) which apparently protects many people from poliomyelitis was reported by Dr. Gilbert Dalldorf of the N.Y. State Health Dept. at the 2d Intl. Poliomyelitis Conference held in Copenhagen Sept. 3-8. The virus has 10 different forms and may be responsible for such mysterious summer diseases as "3-day fever" and "devil's grip." Discovery of drugs that penetrate nerve cells and may lead to a way of fighting polio virus was also reported. [See p. 287P]

Medical Students. The American Medical Assn. reported Sept. 7 that a record 26,191 students were enrolled in the U.S.' 79 approved medical schools in 1950-51, a record 25,103 in 1949-50. 7,400 new students are entering medical schools. 6,135 physicians graduated in June, 5,553 last year. [See p. 175E]

Television Sets. Total in the U.S. as of Aug. 1 (reported by NBC Sept. 9): 13,271,700. [See pp. 287P, 94F, 54J]

Uzbek Poet Recants. A. Uygun, poet and president of the Uzbek Writers' Union, confessed in the Moscow *Izvestia* Sept. 2 that he and other Uzbek writers were guilty of "ideological perversion" for idealizing the history and customs of Uzbekistan before it became a Soviet republic. [See p. 246E]

CONANT'S 'CRYSTAL BALL.' The U.S. will avert World War III by neutralizing Russia's threat with adequate military defenses and not by the "magic of atomic bombs," Harvard Pres. James Bryant Conant predicted in a "crystal ball" speech to the American Chemical Society meeting in N.Y. Sept. 5. He foresaw no "golden abundance of an atomic age" (atomic energy's destructive potential and its radioactive wastes are too knotty problems) but instead peace & prosperity with solar energy (power from the sun) as the "dominating factor." And "cheap & harmless anti-fertility components" of the diet to which religious leaders will not object will end overpopulation, he said. [See pp. 131H, 63D, 23L]

NEW BOOKS

CHINESE COMMUNISM AND THE RISE OF MAO, by Benjamin Schwartz. Documentary analysis. Aug. 30. (Harvard, $4.50)†

END OF THE LINE, by Stanley Baron. Anti-Red novel about Reds & diplomats in Paris. Aug. 20. (Knopf, 371 pp., $3.50)*

THE HOLY SINNER, by Thomas Mann. A medieval legend about incest and Pope Gregory. BOMC choice. Sept. 10. (Knopf, 336 pp., $3.50)*

LIE DOWN IN DARKNESS, by William Styron. A first novel, about degeneration of Southern family. Sept. 10. (Bobbs-Merrill, 400 pp., $3.50)*

THE LOBBYISTS: The Art & Business of Influencing Lawmakers, by Karl Schriftgiesser. An exposé of dangerous trend. Sept. 6. (Atlantic-Little, Brown, 297 pp., $3.50)†

PARTY GOING, by Henry Green. Humorous novel about London in 1939. Sept. 13. (Viking, 255 pp., $3)*

THE STRANGE CHILDREN, by Caroline Gordon. A novel about Tennessee. Sept. 10. (Scribner's, 303 pp., $3.50)*

YEARS OF THE ECLIPSE, by Ferene Kormendi. Novel about Hungarian exiles in London. Sept. 5. (Bobbs-Merrill, 352 pp., $3.50)*

*Fiction †Non-fiction

NEW YORK THEATER

OPENED

BAGELS & YOX. American-Yiddish revue. Songs by Sholom Secunda & Hy Jacobson. Additional lyrics by Millie Alpert. Presented by Al Beckman & John Pransky in association with Brandt Theatres. Principals include Barton Bros., Lou Saxon, Marty Drake, Larry Alpert, Rickie Layne, Mary Forrest, Patrice Helene, Jan Howard. Sept. 12 at Holiday. (2-2-4)*

*1st figure—favorable reviews; 2d—mixed; 3d unfavorable [See p. 143M]

OBITUARIES

Frank J. Campbell, 72, co-founder (1910) & first pres. of Campbell-Ewald Co. (Detroit's largest advertising agency); Sept. 9 in Madras, Ore. after a boulder fell on him while he was searching for agates.

Joe Falcaro, 55, champion bowler who had a record of 69 perfect games; night of Sept. 6-7 in New York.

Herbert Granville Fell, 79, artist, editor of *The Connoisseur* (Hearst magazine); Sept. 10 in London.

James Ben Ali Haggin, 69, portrait painter, grandson of turfman James B. Haggin; Sept. 2 in New York.

Ernestina Lecuona, a leading Cuban musical composer (*Cierra, Cierra los Ojos*); Sept. 3 in Havana.

Cora La Parcerie, 76, French dramatic actress, widow of writer Jacques Richepin; Aug. 28 in Paris.

Roy N. Lotspeich, 69, publisher of *Knoxville Journal*; Sept. 8 in Knoxville, Tenn.

Alexander L. Luria, 70, pres.-dir. of Luria Bros. & Co., one of largest scrap metal firms; Sept. 8 in Atlantic City.

Maria Montez, 31, Dominican-born actress, wife of actor Jean Pierre Aumont; Sept. 7 in Paris of a heart attack while bathing.

Guiseppi Mule, Italian composer (operas *Liola, Dafni*); Sept. 10 in Rome.

William Neal Reynolds, 88, ex-pres. of R. J. Reynolds Tobacco Co. founded by brother, owner of horse Mary Reynolds who won 1933 Hambletonian; Sept. 10 in Winston-Salem.

Col. Gen. Efim Afanasyevich Schadenko, veteran Bolshevik, builder of Soviet Army; announced Sept. 6 by Moscow.

John Sloan, 80, dean of American artists who sold his first painting at 49, became one of most influential modern painters of U.S.; Sept. 8 in Hanover, N.H. [See Vol. X, 87N]

Sir Geoffrey Whitworth, 68, founder-chrmn. of British Drama League; Sept. 9 in Oxford, Eng.

SPORTS

Auto Racing. 2d annual 500-mi. stock car race, Darlington, S.C., Sept. 3: won by Herbert Thomas, Olivia, N.C., in a 1951 Hudson Hornet for $5,600. [See Vol. X, p. 152E]

12.5-mi. Pike's Peak hill climb, Colorado Springs, Colo., Sept. 3: 4th straight win by Al Rogers in 15:39.7 for $5,400.

Boat Racing. Silver Cup powerboat race, Detroit, Sept. 3: won by Walter & Roy Dossin's *Miss Pepsi*, piloted by Chuck Thompson. Top speed: 98.084 mph. [See Vol. X, p. 288G]

Harwood Trophy motorboat race around Manhattan, N.Y.C. (28 mi.) Sept. 9: won by Jack Kraemer in 32 mins. 9 secs. (54.2 mph.).

Intercoll. Rowing Assn. decided Sept. 7 to move its annual regatta to Lake Onondaga, Syracuse, N.Y. next year. [See p. 200L]

Baseball. Final standings Sept. 9 in principal minor leagues:

Intl. League	W.	L.	Pct.	Amer. Assn.	W.	L.	Pct.	Pacific Coast League	W.	L.	Pct.
Montreal	95	59	.617	Milwaukee	94	57	.623	Seattle	99	68	.593
Rochester	83	69	.546	St. Paul	85	66	.563	Hollywood	93	74	.557
Syracuse	82	71	.536	Kansas City	81	70	.536	Los Angeles	86	81	.515
Buffalo	79	75	.513	Louisville	80	73	.523	Portland	83	85	.494
Toronto	77	76	.503	Minneapolis	77	75.	507	Oakland	80	88	.476
Baltimore	69	82	.457	Toledo	70	82	.461	San Diego	79	88	.473
Ottawa	62	88	.413	Indianapolis	68	84	.447	Sacramento	75	92	.449
Springfield	63	90	.412	Columbus	53	101	.344	San Fran.	74	93	.443

So. Assn. winner—Little Rock; **Tex. League**—Houston. [See X, 328A, 320F]

John Sain, 33, a 20-game winning pitcher 4 seasons with the NL Boston Braves, was sold to the AL N.Y. Yankees for $50,000 and rookie pitcher Lew Burdette Aug. 29. [See Vol. X, p. 320H] . . . First-baseman Richard Giedlin, 21, of Trenton, N.J., a Notre Dame graduate, signed with the AL Detroit Tigers Sept. 5 for a bonus of about $50,000. [See p. 216G]

Boxing. Sugar Ray Robinson, 31, 157½ lbs., of New York regained the world middleweight title at the Polo grounds in New York Sept. 12 by scoring a TKO over Randy Turpin, 23, 159 lbs., of Royal Leamington Spa, Eng. in 2 mins. 52 secs. of the 10th round. Gross receipts (about $1 million) & the crowd (61,370) both set records for a non-heavy title fight. Robinson got 30% of the net receipts, Turpin 25%. [See p. 224J]

Golf. $15,000 Empire State open in Albany, N.Y.: won Sept. 9 by Buck White of Greenwood, Miss., for $2,400. [See 280E]

Horse Racing. Foxcatcher Natl. Cup Steeplechase (3 mi.) at Fair Hill, Md. Sept. 8: won by Justin Funkhouser's Palaja, ridden by Johnny Cotter, for $2,619. [See Vol. X, pp. 328D, 296L]

Motorcycle Racing. 100-mi. national title race, Langhorne, Pa., Sept. 3: won again by Bill Huber, Reading, Pa., in record 1 hr. 5 mins. 55.3 secs. [See Vol. X, p. 64H]

Swimming. Florence Chadwick, 32, of San Diego, Calif. became the first woman to swim the English Channel in both directions when she made a crossing from St. Margaret's Bay near Dover, Eng. to Sangatte, France Sept. 10-11. Her time of 16 hrs. 22 mins. for a zigzag 35-mi. course was 51 mins. over the England-to-France record set by Tom Blower of Britain in 1937. Miss Chadwick made the France-to-England swim Aug. 8, 1950 in record time now listed as 13 hrs. 20 mins.—8 mins. less than reported at the time of the swim. [See Vol. X, p. 256G-H]

Among 18 new world swimming records formally recognized by the Intl. Swimming Fed. in Helsinki Aug. 29 were 3 set by Yale relay teams: 400 yds., 3:21.6; 400 meters, 3:47.9; 800 yds., 7:40.6. John Marshall, Australia, Yale student, also set 3: 4:27.9 for 400 meters freestyle, 4:28.1 for 440 yds. freestyle, 5:43.7 for 500 meters freestyle. [See pp. 264G, 104H]

Track. Fred Hayward of St. John's, Nfld. won the AAU championship walk in Baltimore Sept. 9 in 4 hrs. 3 mins. 10 secs. for 40 km. (about 25 mi.). . . . Britain's MacDonald Bailey tied the world 100-meter dash record of 10.2 secs. in a meet with Yugoslavia in Belgrade Aug. 25. [See p. 248F]

MISCELLANEOUS

Beauties. Winner of "Miss America of 1952" contest, Atlantic City, Sept. 8: Colleen Kay Hutchins ("Miss Utah"), 25, of Salt Lake City, 5′ 10″ tall, 143 lbs., heaviest & oldest beauty to win the crown . . . "Mrs. America of 1952" chosen Sept. 9 in Asbury Park: Mrs. Penny Duncan ("Mrs. New York City"), 22, 5′ 7½″ tall, 126 lbs. (one son). [See Vol. X, p. 296N-P]

Married. John Clunies-Ross, 22, hereditary white master of Cocos Islands, tiny Indian Ocean archipelago, and blonde Daphne Parkinson, 21, in London Aug. 30 . . . Prince Ernst August IV of Brunswick-Luneburg-Hanover, 37, grandson of late Kaiser Wilhelm II, and Princess Ortrud of Schleswig-Holstein-Sonderburg-Gluecksburg, 25, Aug. 31 in a civil ceremony and Sept. 4 in a church ceremony, both in Hanover, Germany . . . Jean Wallace, 25, and Cornel Wilde, 37, in Hollywood Sept. 4. He was divorced by actress Patricia Knight, 31, in Reno Aug. 30 on mental cruelty grounds. It was Miss Wallace's 3d marriage. Her first, to Franchot Tone, ended in divorce in 1948 and her 2d, to James L. Randall last year, was annulled. [See Vol. X, p. 40N-P] . . . Pvt. Hubert Reeves, quadruple amputee who lost both feet and all but one of his fingers in Korea, and Beverly Jean Hall, 18, in Joliet, Ill. Sept. 9. Said Reeves: "I'm a pretty lucky guy." . . . Leonard Bernstein, 33, conductor & composer, and Felicia Montealegre, TV actress, in Boston Sept. 9.